

Mutual Logistics Support Agreement
Implementing Arrangement USN-RKN-002
Concerning
Militray Satellite Communication
Between
United States Naval Forces, Korea
and
Republic of Korea Navy

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

ARTICLE I- AUTHORITY

This document is an Implementing Arrangement (IA) as contemplated by Article III, paragraph 2 and defined by Article II, paragraph b of the Mutual Logistics Support Agreement (MLSA) between the Government of the United States of America and the Government of the Republic of Korea, dated 8 June 1988, as amended (hereinafter referred to as the Basic Agreement), and is subject to all other provisions of that agreement.

ARTICLE II - PURPOSE

The purpose of this IA is to provide military satellite communications (MILSATCOM) services on a reimbursable basis between the United States Navy (USN) and the Republic of Korea Navy (ROKN), herein known as the "Parties." This IA applies only to the provision of MILSATCOM access, and related support, to the ROKN. It does not address other reciprocal logistical support arrangements. This IA is designed to meet ROKN national communications requirements and the bilateral communications requirements of the ROKN and the USN. To meet these requirements, the USN will provide direct access and MILSATCOM UHF connectivity to ROKN units that are

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

deployed, training, operating, engaged in bilateral exercises, or otherwise engaged in cooperative activities with the USN.

ARTICLE III - IMPLEMENTATION AUTHORITY AND DESIGNATION OF ORDERING INDIVIDUALS

1. ROK Navy: Authority to place orders and receive support under this agreement is delegated to:

Director, Information Systems

ROK Chief of Naval Operations

HQ-ROKN, Taejon, ROK

The Director, Information Systems will appoint in writing those individuals authorized to initiate and accept orders under this IA.

2. USN: Authority to place orders and receive support under this agreement is delegated to:

Commander, Naval Forces Korea (CNFK)

Seoul, ROK

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

CNFK will appoint in writing those individuals authorized to initiate and accept orders under this IA.

3. Appointment letters will cite the Basic Agreement and this IA. Copies of all appointment letters will be provided to USCINCPAC (J6); JCS (J6); CNO (N63); CINCPACFLT (N6), USFK J-4 (FKJ4-P-G), and CNFK (N6) for the United States and Director of Information Systems for the ROKN.
4. Appointed ordering officers are empowered to initiate and accept orders (i.e. to sign blocks 15 and 25 of the Mutual Logistics Support (MLS) Order/Receipt, USFK Form 209EK, Annex A, hereafter referred to as MLS Order/Receipt)

ARTICLE IV - GENERAL TERMS AND CONDITIONS

1. The MLS Order/Receipt will be used to document support provided and received as outlined in this IA.
2. Support obtained under this agreement may not be retransferred to a third party (or agent thereof) unless approved in writing by a representative of the issuing government.

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

3. All classified information, equipment, or material provided or generated pursuant to this IA shall be stored, handled, transmitted and safeguarded in accordance with (IAW) the General Security of Information Agreement between the Republic of Korea and the United States of America dated 1 May 1962, as amended.

ARTICLE V - Specific Responsibilities

1. Appointed Ordering Authorities are responsible for determining the procedures by which Satellite Services are ordered, the amount of lead time required, and termination procedures. Additionally, for billing purposes the Ordering Authorities shall be responsible for keeping track of the actual amount of satellite access granted.

2. Interpretability.

a. To assure communications equipment standardization and interpretability, the ROKN will be responsible for purchasing appropriate UHF satellite communications equipment and service. This IA does not constitute an offer to sell such equipment or services.

b. To avoid the necessity of designing separate encryption devices, the ROKN will utilize current USN compatible CRYPTO systems for secure voice application and for

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

ship-to-shore and ship-to-ship teletype communications. Each Party shall bear its own costs in obtaining any cryptographic device services which will assure compatibility.

c. The ROKN shall adhere to NTP-2, SECTION 2(E), Navy Telecommunications Procedures and the Chairman of the Joint Chiefs of Staff (CJCS) Memorandum of Policy (MOP) 37 concerning Satellite Communications Systems for guidance on MILSATCOM access.

3. Preemption.

a. All U.S. MILSATCOM satellite channel access is subject to review, approval and prioritization by the U.S. Joint Chiefs of Staff (JCS) IAW MOP-37. The United States reserves the unilateral right to suspend, limit (e.g., MINIMIZE), or terminate the handling of foreign traffic (voice or record) when necessary, in accordance with US policies and procedures. The exercise of this right by the United States may require that ROKN traffic be processed by ways other than those provided in this IA.

b. Support provided under this IA may be preempted without prior notification. If circumstances allow, the United States will notify the ROKN when such action is pending; if prior notification is not provided, the United States will notify the ROKN at the first available opportunity of the circumstances and expected duration of non-support.

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

ARTICLE VI - REIMBURSEMENT PROCEDURES

1. The ROKN will make reimbursement for all U.S. MILSATCOM system access in support of their national requirements according to the reimbursement formula set forth in Annex A of this IA. During operations in which U.S. MILSATCOM access is provided to support bilateral requirements, the costs of U.S. MILSATCOM access will be shared as set forth in Annex A of this IA. Related communications support not listed in Annex A, but provided pursuant to this IA will be considered a "reimbursable transaction" as that term is defined in Article III, paragraph 4 of the Basic Agreement, and costs shall be assessed in accordance with Article III, paragraph 4 of the Basic Agreement.
2. The party requesting SATCOM support will prepare an MLS Order/Receipt Form USFK Form 209EK IAW Annex C. The MLS Order/Receipt will be used by the Parties to execute the transfer of services IAW the terms and conditions of this IA.
3. The USN's Fiscal Authority, CNFK (N4), will invoice the ROKN Fiscal Authority, **[office, address TBD]**, for its MILSATCOM system access within thirty days of the last day of each U.S. fiscal quarter. Payment will be made by the ROKN within sixty days of the receipt of the invoice.
4. Reimbursement Procedures, USFK collection office should be added as paragraph

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

4 "USFK collection office is Centralized Pay & Accounting, 175th Finance Command, Unit #15300, ATTN: EAFC-CPA-AI, APO AP 96205-0073".

ARTICLE VII - DISAGREEMENTS

1. Executive Agents:

a. The executive agent for the United States Navy for all matters affecting the terms and conditions of this IA will be the Commander, Naval Forces Korea.

b. The executive agent for the Republic of Korea Navy for all matters affecting the terms and conditions of this IA will be: **TBD**

2. Under Article V, paragraph 1 of the Basic Agreement, the executive agents agree to make a good faith effort to resolve any disagreements between them with respect to the interpretation or application of this Implementing Arrangement. Resolution will be by negotiation, and disagreements (including claims mentioned in paragraph 3, below) will not be referred to an international tribunal or third party for settlement.

3. Claims for compensation arising from any failure on the part of either Party to observe the conditions set forth in this IA will be resolved by the Parties conferring together to reach a mutually acceptable resolution to such conflict. No claims shall be

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

made for signal quality and Radio Frequency Interference (RFI), or preemption of satellite connectivity.

4. Matters not addressed in this IA will be resolved through appropriate channels.

ARTICLE VIII - LANGUAGE

This IA is executed in two originals in the English language and two originals in the Korean language, each text being equally authentic.

ARTICLE IX - ENTRY INTO FORCE, REVIEW, AMENDMENTS, TERMINATION

1. Entry into force. This IA shall enter into force on the date of the last signature below.

2. Review. This IA shall be reviewed annually during the anniversary month to determine if changes should be made. Approximately one year prior to the projected expiration of this IA, the Parties will consult with each other regarding the extension or termination of this IA.

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

3. Amendments. This IA may be amended in writing at any time by mutual consent of the Parties.

4. Termination.

a. This IA will remain in force for a period of five (5) years from the date of entry into force, or until the termination of the Basic Agreement, whichever comes first.

b. This IA may be earlier terminated by mutual agreement or by either Party giving not less than 180 days written notice of termination. This IA may also be terminated immediately by either Party if the Party in arrears fails to settle an overdue account.

c. In the event of termination, the Fiscal Officers will reconcile all accounts within three months after the date of termination. Settlement of these accounts will be completed not later than six months after the date of termination.

Four (4) Annexes:

A- Reimbursement Policies and Schedule

B- Definitions

Mutual Logistics Support Implementing Arrangement USN-RKN-002 Concerning Satellite Communication Support Between U.S. Navy and ROK Navy

C- USFK Form 209EK - Explanation of Entries

D- Limitations on the Scope of Mutual Logistics Support

FOR THE UNITED STATES NAVY

FOR THE REPUBLIC OF KOREA NAVY

Signature

Name

Title

Date

Location

Signature

Name

Title

Date

Location

**Annex A to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

Annex A

Reimbursement Policies and Schedule

1. The following policies and procedures are established for the reimbursement of ROKN access to U.S. MILSATCOM pursuant to this IA.

a. SATCOM is a JCS controlled asset. USCINCPAC controls channels in the Pacific Theater.

b. Compensation/reimbursement for access to U.S. MILSATCOM may be accomplished via a "Replacement-in-Kind" (RIK) arrangement whereby access will be granted based on availability of similar communications services from the ROK Ministry of National Defense (e.g., exchange of channel accesses, if feasible). As of signature, the Parties have not identified any similar satellite service which the ROKN would provide as a suitable RIK or "exchange transaction" as that latter term is used in Article III Paragraph 4 of the Basic Agreement.

c. If a RIK arrangement is not feasible, all U.S. MILSATCOM access (regardless of the frequency band) provided by the U.S. Department of Defense under this IA shall be considered a "reimbursable transaction" and fully reimbursed in U.S. dollars by the Republic of Korea Navy within the time specified in Article VI of the IA.

2. Reimbursable charges for access to U.S. MILSATCOM, in the UHF frequency band, have been determined in accordance with Article III, paragraph 4.a(2) of the Basic

**Annex A to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

Agreement which inter alia provides that the Parties shall agree in advance upon a pricing formula if the supplying Party has not established a price for a particular type of support. There being no established price for U.S. MILSATCOM in the UHF frequency band, the following pricing policies are established.

a. The UHF frequency band utilized by the Department of Defense of the United States of America is a relatively constrained commodity and continuing access is vital to the national interests of the United States of America.

b. The UHF Follow-On (UFO) satellite will be the primary means of providing U.S. MILSATCOM access after 1996. In the interim, a combination of FLTSATCOM, LEASAT, GAPFILLER, and UFO will be utilized.

c. In determining the costing data in paragraph 2.d., the following factors were taken into consideration:

(1) The cost of UFO is approximately \$140M with yearly Tracking, Telemetry, and Command (TT&C) costs at approximately \$1M.

(2) Average satellite life of UFO is set at 10 years (the cost of the satellite will be amortized over this period - \$14M per year for ten years).

**Annex A to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

(3) UFO provides seventeen (17) 25kHz and twenty-one (21) 5kHz channels totaling 530kHz.

(4) The per kHz cost is approximately \$27K per year; 25kHz channel is approximately \$675K per year, 5kHz channel is approximately \$135K per year.

(5) For purposes of MILSATCOM access, no differentiation will be made between data or voice carried over a UHF satellite channel.

(6) Based on the criticality of UHF SATCOM in support of U.S. DoD operations, intangible costs which must be considered in compensation/reimbursement are associated with U.S. MILSATCOM in the UHF frequency band. Intangible costs vary with length of access.

(7) Overhead costs for control and tracking of access increase as the period of access decreases.

d. Based on all costs (Research, Development, Test & Evaluation, intangibles, procurement, maintenance and daily operation) associated with maintaining and operating the U.S. UHF MILSATCOM constellation, the following costs apply to SATCOM:

**Annex A to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

(1) Autonomous access (ROKN is sole user) (U.S. dollars):

Channel	Cost/year	Cost/Month	Cost/Day	Cost/Hour
25kHz	\$700,000	\$100,000	\$8,000	\$400
5kHz	\$140,000	\$20,000	\$1600	\$80

(2) For combined operations/exercises with the USN or other U.S.

MILSATCOM users (U.S. dollars):

Channel	Cost/year	Cost/Month	Cost/Day	Cost/Hour
25kHz	\$350,000	\$50,000	\$4,000	\$200
5kHz	\$70,000	\$10,000	\$800	\$40

3. The following additional conditions concerning access are noted by the Parties:

a. U.S. MILSATCOM in the UHF frequency band is a constrained resource and access shall be authorized consistent with competing CJCS-validated and prioritized connectivity requirements. Reimbursement is based on satellite access authorized, not on actual usage.

**Annex A to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

b. CJCS-validated and prioritized connectivity requirements for all MILSATCOM users shall be identified in the Integrated Communications Data Base (ICDB) and identified by a unique ICDB number with relative priority.

c. If problems develop on the SATCOM channel identified for ROKN access, all possible efforts will be made to correct the problem or reassign ROKN access to a different operational channel, consistent with competing requirements.

**Annex B to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

Annex B

Definitions

As used in this IA, the following definitions apply:

- a. The “Basic Agreement” is the Mutual Logistic Support Agreement between the Government of the United States of America and the Government of the Republic of Korea, signed 8 June 1988, as amended.
- b. “Fiscal Authorities” are the officer(s) who are charged with the responsibilities of preparing and receiving invoices and payments pursuant to Article VI and are otherwise responsible for implementing the financial aspects of this IA.
- c. “Implementing Authorities” are the officer(s) who exercise executive level oversight of this IA.
- d. “Ordering Authorities” are the officer(s) who are authorized by the Parties to transmit, receive, and provide Satellite Communications Services (as defined below).
- e. “Satellite Communications Services” include “access” for voice or data satellite “connectivity.” Such connectivity includes USN Information Exchange Subsystems (IXS), fleet broadcast, ship-to-ship, shore-to-ship, and ship-to-shore satellite transmissions.

**Annex B to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

f. "US MILSATCOM SYSTEM" or "MILSATCOM" includes the FLTSAT, LEASAT, GAPFILLER, and UHF follow-on satellite communication systems.

**Annex C to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

Annex C

USFK Form 209EK - Explanation of Entries

- | | |
|-----------------------------|---|
| 1. Request No. | Inserted by supplier. |
| 2. Date of Request | Self-explanatory. |
| 3. From | Person/unit submitting request. |
| 4. To | Self-explanatory. |
| 5. IA Number | USN-RKN-002. |
| 6a. Fund Cite | For requesting Party's use |
| 6b. Requested Delivery Date | Self-explanatory. For services, it is the beginning date. |
| 7. Stock No. | Not Applicable. |
| 8. Description | Abbreviated description; detailed listing or description of services may be attached. |
| 9. Units | Not Applicable. |
| 10. Quantity requested | Not Applicable. |
| 11. Quantity delivered | Not Applicable. |
| 12. Unit price | Not Applicable. |

**Annex C to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

- | | |
|--------------------------------------|--|
| 13. Total unit cost | Not Applicable. |
| 14. Issuing Individual | Official of supplying nation who issues/provides the supplies or services. |
| 15. Authorizing Officer | Official who has authority to requisition supplies or services. |
| 16. Method of Payment | "CASH" |
| 17. Schedule for RIK/Exchange | Leave Blank |
| 18. Total amount claimed | Total cost of all services in the currency of supplying nation. |
| 19. Payable to | Centralized Pay Accounting, 176th Finance Battalion
DSSN 6411 |
| 20. To be forwarded to | Centralized Pay & Accounting, 175th Finance
Command, Unit #15300, ATTN: EAFC-CPA-AI, APO
AP 96205-0073 |
| 21. Liability Limitation | If a cost is not known, this is the "not to exceed" (NTE) amount. |
| 22. Received, Inspected and Accepted | Individual authorized by the receiving nation to accept supplies or services. |

**Annex C to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

23. Place of Delivery Location and unit where item(s) will be received.
24. Remarks/Transaction Codes Codes are for U.S. Army use only.
25. Authorizing Lending Officer Official of supplying nation authorized the transaction.

Distribution of Forms: Each Party will distribute copies of the completed MLS Order/
Receipt Form IAW internal procedures. Minimum distribution requirements are:

- a. One copy will be forwarded to the supplying Party.
- b. One copy will be returned to the requesting Party.
- c. One copy will be forwarded to HQ USFK, J4, ATTN: FKJ4-P-G, Unit #15237,

APO AP 96205-0010.

**Annex D to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

Annex D

Limitations On The Scope Of Mutual Logistic Support

1. The following items may not be acquired or transferred by the U.S. under the Mutual Logistic Support Agreement:

- a. Weapon systems;
- b. Major items of equipment;
- c. The initial quantities of replacement parts and spares for major items of organizational equipment covered by tables of organization and equipment, tables of distribution and allowance, or equivalent documents;
- d. Cooperative airlift;
- e. Guided missiles;
- f. Naval mines and torpedoes;
- g. Nuclear ammunition and associated items such as warheads, warhead sections, projectiles, demolition munitions, and training ammunition;

**Annex D to the Mutual Logistics Support Implementing Arrangement USN-RKN-002
Concerning Satellite Communication Support Between U.S. Navy and ROK Navy**

h. Cartridge and propellant-actuated devices;

i. Chaff and chaff dispensers;

j. Guidance kits for bombs or other ammunition;

k. Chemical ammunition, other than riot control.

2. There is also a not-to-exceed value set on end items as defined under the Trade Agreements Act of 1979. The value on the date this IA was signed was \$172,000.

3. Other specific items may be excluded from acquisition or transfer by U.S. or ROK law, directive or policy.